CLASSIFIED MESSAGE

EQUITING

DATE 14 DEC 56

S-E-C-R-E-T

DEC 5 0310Z 56

FROM 1 BONN

ACTION ONE 2

ROO 1 COP, F1, F1/OPS, F1/ROM 3, F1/R1 2, PP 2, PP/OPS, PP/ECD, EF 4, NEA 4, WE 4, DD/1 2, OC1 4, S/C 2

ROUT

TO DIR

CITE BONN 4823

KUJAZZ

RE DIR 42110 (OUT 56566)

- 1. WEST GERMAN GOVERNMENT OFFICIALS ESTIMATE FEDREP IN EXCELLENT POISTION VIS A VIS SUEZ BLOCKADE AND CURTAILMENT MIDDLE EAST AT LEAST THROUGH 31 MAR 57 FOR FOLLOWING REASONS:
- A. FEDREP CONSUMPTION (ONE MILLION METRIC TONS PER MONTH) RELATIVELY SMALL COMPARED TO U.K., FRANCE.
  - B. FEDREP PRODUCES APPROX 30 PERCENT OWN OIL SUPPLY.
- C. FEDREP IN MUCH BETTER POSITION VIS A VIS DOLLAR RESERVES THAN BRITAIN AND FRANCE.
  - D. SEASONAL DECLINE IN GAS CONSUMPTION CURRENTLY UNDER WAY.
- 2. NO RATIONING CONTEMPLATED BY GOVERNMENT WITH EXCEPTION 10 PERCENT VOLUNTARY REDUCTION HEATING AND DIESEL OIL FURNISHED DISTRIBUTORS. BONN ESTIMATES THAT WITH OWN CONSUMPTION, OIL BROUGHT AROUND CAPE, AND IMPORTED FROM U.S. CAN COME WITH.N ©1 PERCENT OF NORMAL SUPPLY WITHOUT STRAIN.
- 3. DUE GENERAL INTERNAL APPROVAL FEDREP POLICY MIDDLE EAST AND GOOD POL POSITION NO ADVERSE EFFECTS DOMESTIC POLITICAL SITUATION SEEN.

S-E-C-R-E-T

IT IS FORSIDDEN TO MAKE A COPY OF THIS MESSAGE

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DECLASSIFIED AND RELEASED BY CENTRAL INTELLIBENCE AGENCY SOURCES METHODS EXEMPTION 3 B 2 B NAZ I WAR CRIMES DISCLOSURE ACT DATE 2006

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1. BONN REPORTED CONSIDERING DOLLAR LOANS TO U.K., FRANCE TO AID

IN PURCHASE U.S. OIL.

S-E-C-R-E-T